

**BOB F. ANDERSON, PE, INC.**  
**PETROLEUM ENGINEERS & CONSULTANTS**  
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October 21, 2004

Honorable James H. Welsh,  
Commissioner of Conservation  
Office of Conservation  
P. O. Box 94275  
Baton Rouge, LA 70804-4275

Re: **APPLICATION FOR PUBLIC HEARING**  
Proposed Substitute Unit Well  
Hosston Formation, Reservoir A  
HOSS RA SUI  
Grand Cane Field  
DeSoto Parish, Louisiana

Dear Sir:

Application is hereby made on behalf of **CYPRESS OPERATING, INC.**, (Applicant), to the Commissioner of Conservation for a public hearing to consider evidence relative to the issuance of an Order pertaining to the following matters relating to the Hosston Formation, Reservoir A, Grand Cane Field, DeSoto Parish, Louisiana:

1. To permit the applicant to drill, designate and utilize a substitute unit well, the proposed Cypress Operating, Inc. - Boswell 27 No. 1 Well, for the production of gas and condensate for the Hosston Formation, Reservoir A, in the unit designated HOSS RA SUI, Grand Cane Field, DeSoto Parish, Louisiana, in exception to the spacing provisions of the 342-B Series of Office of Conservation Orders, such unit and well shown on the attached plat and being made a part hereof.
2. To find that a substitute unit well is needed, at the location shown on the attached plat, to assist in the drainage of the Hosston Formation, Reservoir A, in the unit designated U HOSS RA SUI that cannot be drained by any other well located within the unit.
3. To consider and cover such other matters as the Commissioner of Conservation may deem pertinent and appropriate.

The Hosston Formation, Reservoir A, in the Spider Field, DeSoto Parish, Louisiana, was defined in Office of Conservation Order No. 342-B, effective May 24, 1978.

Hon. James H. Welsh  
Spider Field  
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The pertinent data pertaining to this application is available for inspection at the Offices of Bob F. Anderson, PE, Inc., 400 Travis Street, Suite 209, Shreveport, Louisiana 71101. Any person wishing to inspect such data should call Bob Anderson 318/425-4230 during normal business hours in order to arrange a date and time for such inspection. A copy of any such pertinent data that is otherwise not available from the Office of Conservation can be obtained **at the expense of the requesting party.**

The subject matter of this application does not require a pre-application notice.

Pursuant to the revised Rules of Procedure, Applicant has made a reasonable effort to obtain the names and addresses of all Interested Owners, Interested Parties and Represented Parties to whom this notice of this intended application is being sent. A copy of this letter and the attached plat is being sent to the District Manager of the Shreveport District Office of Conservation and to the Interested Owners, Represented Parties and the Interested Parties as shown on the attached list

Our check, made payable to the Office of Conservation, is attached to cover the applicable hearing fee.

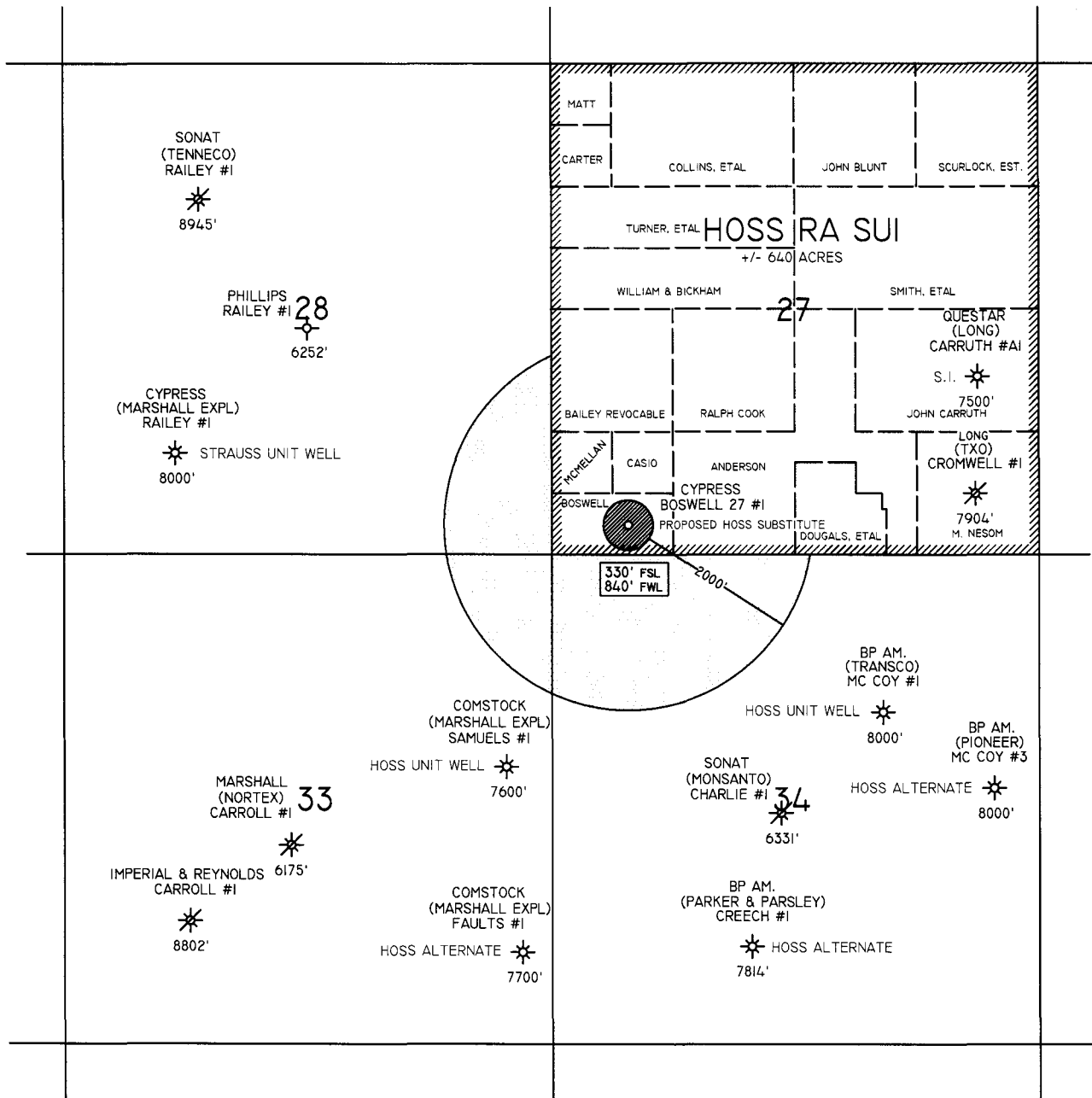
Yours truly,



B. F. Anderson, PE for  
**CYPRESS OPERATING, INC.**

cc: Mr. James Broussard, District Manager Shreveport District Office of Conservation (w/encl.)  
Interested Owners, Represented Parties and Interested Parties (w/plat only)  
Cypress Operating, Inc. (w/encl.)

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////// APPROVED SAND UNIT (HOSS RA SUI)

● PROPOSED SUBSTITUTE (HOSS RA SUI)



CYPRESS OPERATING, INC.

GRAND CANE FIELD  
DE SOTO PARISH, LOUISIANA

PROPOSED SUBSTITUTE UNIT WELL  
AT AN EXCEPTIONAL LOCATION  
HOSS RA SUI; BOSWELL 27 NO.1

EXHIBIT NO.1